



STATE OF NEW YORK

DEPARTMENT OF CORRECTIONS  
AND COMMUNITY SUPERVISION

THE HARRIMAN STATE CAMPUS – BUILDING 2

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July 3, 2014

Mr. Gregory V. Haledjian  
Attorney-Advisor  
Pricing Policy Division – Wireless Competition Bureau  
Federal Communications Commission  
445 12<sup>th</sup> Street SW  
Washington, DC 20554

Dear Mr. Haledjian:

The New York State Department of Corrections and Community Supervision (DOCCS) welcomes the opportunity to contribute to the Federal Communications Commission's July 2014, **Workshop on Inmate Calling Services**. The Department previously contributed to the FCC **Workshop on Reforming Rates for Inmate Calling Services** in July 2013 and is appreciative of this follow-up opportunity.

As you know, in 2007 DOCCS eliminated its commissions on inmate calls. The details of this effort were well documented in my July 8, 2013 letter to the FCC, which I have attached for your reference. In response to the current request, included below is a brief summary of the actions that the Department undertook to transition from a commission-based calling program, to one where commissions were eliminated.

In January 2007, the Department began its planning for the elimination of its commissions on inmate calling, which were at that point 57.5%. The Department's immediate concern with a full scale, immediate reduction of the commission was the impact of the rate decrease on the calling platform, on the provider's ability to deliver the service at our expected 99.999% reliability index, and the number of additional phones that might be required, as we did not want inmates waiting to make calls at our facilities.

Our preparatory work included speaking to other state correctional authorities and local jail administrators throughout the country to ascertain the impact that any rate decrease might have on inmate calling. We also conducted an internet search to see what had been documented in this regard, and we spoke with multiple providers of inmate calling services to understand what they had experienced with rate reductions. Interestingly, we learned that there was little precedent in this area.

Faced with this conundrum, the Department developed an internal strategy to phase-in the rate decrease over a very short period of time (less than six months). This gave us the opportunity to monitor inmate calling and to ascertain the impact of the initial rate decrease, including how many additional phones might be needed, and to ensure that the vendor's call platform and network could handle the increased volume.

We also worked with our internal agency telecommunication staff to develop models to project the potential impact that certain call volume increases would have on the ITS network. Once we were satisfied that we had enough information to proceed, we began the process of executing the rate decrease.

The Department negotiated amendments to our ITS contract that allowed for an immediate 50% rate decrease, which included the elimination of the previously established connection fee. We also added stipulations to the contract that allowed for an additional 7.5% rate reduction if calling rates did not exceed capacity over the next few months. We worked collaboratively with our provider to develop these terms. During this transition period, inmate calling rates - including call attempts, call completions, and call duration - were monitored daily by our staff to ensure quality adherence to our contract specifications.

We provided advance notice to the inmate population about the rate decrease and let the inmates know that we would work to ensure that any anticipated increase in call volume would not become a problem. We encouraged inmate participation via our Inmate Liaison Committees (ILCs) which are active at each facility, to ensure that the population had a voice in this process. We also advised the advocacy groups about our strategy and asked for their input.

Our experience indicates that the rate decrease did not require a significant increase in phones, although we have added phones incrementally as conditions require. Our experience further indicates that the provider's call platform was able to handle the call volume increase, and that the network was able to handle the increased traffic - which validated our modeling exercises.

Subsequently, in June 2007, the Department published a Request for Information (RFI) for a new inmate phone system and in November 2007, a Request for Proposal (RFP) was published to solicit vendor responses for a new Department-wide inmate phone system that resulted in our current rates of \$0.048 per minute.

The current rate applies to all State Correctional Facilities. The contract does not extend to other state agencies (mental health or juvenile facilities), to Rikers Island (NY City), or to local jails, which are county run facilities in New York State. These entities operate their systems independently and the calling rates and system specifications are different across these entities.

We recognize that there may be utility for better collaboration across these in-state entities as call volume would likely help drive down operating costs. However, the level of effort that will be required to develop specifications across these disparate entities should not be underestimated.

The Department is presently in the process of developing bid specifications for a new ITS contract that we plan to publish this year. Therefore, in accordance with New York State procurement guidelines, we are limited as to what we can currently provide to the FCC regarding our thoughts about any specifications that we may be requesting as part of our next bid.

What we can say, is that our present system is running well, and that our previous bid specifications – which included strong performance metrics and escalation clauses with our provider – have stood up to the changing nature of the inmate calling business.

Our experience also indicates that there are challenges that must be addressed as we move forward. Correctional administrators need to be mindful of the changing nature of the telecommunications industry and the improvements in IP telephony which now make it easier for inmates to subvert what had been the previously established best-practice security standards for inmate calling. As we proceed with new contract specifications, correctional authorities will need to understand how best to address these technological advances through better monitoring and authentication protocols. However, a word of caution is also required. As these new minimum security specifications will likely add to the cost of a call, it is incumbent upon correctional administrators to ensure that it is requiring only those security enhancements that will ensure the secure operation of its facilities, and in recognition of what these enhancements will mean to the cost of the call. In short, we need to ensure that our mandatory security enhancements are cost-effective and not cost-prohibitive.

Regarding your request for cost estimates for call listening and investigations, I would suggest that these will vary across jurisdictions based upon the security requirements of each entity and the pay scale of the involved staff. However, these costs can be estimated with a degree of accuracy if jurisdictions wish to include them as part of their administrative costs. In New York, we have estimated our costs for a standard ITS bid development and our costs for traditional call listening and investigations. And while we do not presently include these as part of our bid specifications, we can estimate that including these costs would nearly double the current rate of \$0.048 per minute. Perhaps the better approach is to determine how to improve upon these traditional security measures by selecting technologies that allow us to more effectively monitor call recordings and lessen our reliance on active call listening for other than hot people and hot places.

Mr. Gregory V. Haledjian

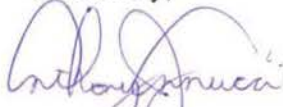
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Finally, with respect to your request for a standard per-minute cost of a call, I would prefer to let the market forces drive that determination. However, our experience in New York indicates that correctional authorities can get what they need from their calling systems in terms of security and performance, without adversely impacting the cost for a call when commissions are eliminated. They will need to clearly articulate their requirements, develop performance-based contracts, take ownership of the administration of the systems – including customer relations, and only require as mandatory, those specifications that ensure the safety and security of their facilities.

Thank you for providing the Department with the opportunity to contribute to your Workshop and we look forward to seeing the results of your process.

Sincerely,



Anthony J. Annucci  
Acting Commissioner

Attachment